

ARTICLE VI

ADDITIONAL POST-CLOSING COVENANTS

Section 6.01 Further Assurances. In addition to the provisions of this Agreement, from time to time after the Second Closing Date, WCI Cable and the Purchasers will use all reasonable best efforts to execute and deliver such other instruments of conveyance, transfer, or assumption, as the case may be, and take such other action as may be reasonably requested to implement more effectively the Contemplated Transactions.

Section 6.02 Books and Records; Personnel. After the Second Closing Date, the Purchasers shall allow WCI Cable and the liquidating trust (to be formed pursuant to the Plan of Reorganization (the "*Liquidating Trust*") and any of their directors, officers, employees, legal counsel, financial advisors, representatives, accountants, and auditors (collectively, "*Debtors Representatives*") access to all business records and files of WCI Cable and the Debtors, that are reasonably required by such Debtor Representative in the administration of the Chapter 11 Cases or in anticipation of, or preparation for, any existing or future Legal Proceeding involving a Tax Return preparation, or litigation, during regular business hours and upon reasonable notice at WCI Cable's principal place of business or at any location where such records are stored, and the Debtors Representatives shall have the right to make copies of any such records and files; provided, however, that any such access or copying shall be had or done in such a manner so as not to interfere with the normal conduct of the Purchasers' business or operations.

ARTICLE VII

CONDITIONS PRECEDENT

Section 7.01 Conditions Precedent to Obligations of WCI Cable and the Purchasers. The respective obligations of each party to effect the Contemplated Transactions shall be subject to the satisfaction at or prior to each of the Initial Closing Date and the Second Closing Date of the condition that no statute, rule, regulation, executive order, decree, decision, or ruling, shall have been enacted, entered, or promulgated by any U.S. federal or state Governmental Authority, and no investigation of any Governmental Authority (including any investigation by the Department of Justice or the Federal Trade Commission) shall be ongoing, that prohibits the consummation of the Contemplated Transactions.

Section 7.02 Conditions Precedent to Obligation of WCI Cable at the Initial Closing. The obligation of WCI Cable to effect the Contemplated Transactions at the Initial Closing shall be subject to the satisfaction at or prior to the Initial Closing Date of the conditions set forth in Section 7.01 and of the following additional conditions (compliance with which or the occurrence of which may be waived in whole or in part in a writing executed by WCI Cable):

(a) (i) the Purchasers shall have performed in all material respects their obligations under this Agreement required to be performed by them at or prior to the Initial Closing Date; and (ii) the representations and warranties of the Purchasers contained in this Agreement shall be true and correct in all respects, in each case as of the date of this Agreement and as of the Initial Closing Date as if made at and as of such dates, it being understood and

agreed (A) that the condition set forth in clause (ii) of this Section 7.02(a) shall be deemed to have been satisfied unless any failure to be true has had, or reasonably could be expected to have, individually or in the aggregate with all other failures relating to various representations and warranties, a material adverse effect on the ability of Purchasers to consummate the Contemplated Transactions, and (B) that representations and warranties made as of a specific date need be true only as of that date;

(b) the Bankruptcy Court shall have entered an order confirming the Plan of Reorganization, and there shall be no stay of such order;

(c) the Operating Agreement shall have been executed by the Purchasers and Northstar; and

(d) the Purchasers shall have made the deliveries they are required to make pursuant to Section 2.02(a).

Section 7.03 Conditions Precedent to Obligation of the Purchasers at the Initial Closing. The obligation of the Purchasers to effect the Contemplated Transactions at the Initial Closing shall be subject to the satisfaction at or prior to the Initial Closing Date of the conditions set forth in Section 7.01 and of the following additional conditions (compliance with which or the occurrence of which may be waived in whole or in part in a writing executed by the Purchasers):

(a) (i) WCI Cable shall have performed in all material respects its obligations under this Agreement required to be performed by it at or prior to the Initial Closing Date; and (ii) the representations and warranties of WCI Cable contained in this Agreement (other than the representations and warranties contained in Sections 3.09, 3.10, 3.11, 3.12, 3.13, 3.14, 3.15, 3.16, 3.17 and 3.18) shall be true and correct in all respects, in each case as of the date of this Agreement and as of the Initial Closing Date as if made at and as of such dates, it being understood and agreed (A) that the condition set forth in clause (ii) of this Section 7.03(a) shall be deemed to have been satisfied unless any failure to be true has had, or reasonably could be expected to have, individually or in the aggregate with all other failures relating to various representations and warranties, a Material Adverse Effect, and (B) that representations and warranties made as of a specific date need be true only as of that date;

(b) Purchasers shall have received environmental assessments (the "*Environmental Assessments*") with respect to such of WCI Cable's properties and facilities as Purchasers may reasonably determine, and such assessments shall not reveal items that require, under applicable Environmental Laws, remediation for environmental conditions that would involve costs, damages and/or expenditures of greater than \$1,000,000; *provided*, that in the event the Purchasers do not notify WCI Cable of any such material remediation requirements within thirty (30) days after the date of this Agreement, this Section 7.03(b) shall be deemed to have been waived by Purchasers;

(c) the Operating Agreement shall have been executed by the Debtors;

(d) no event or circumstance shall have occurred since the date of this Agreement which, independently or together with any other event or circumstance that has so

occurred or is reasonably likely to occur, has or is reasonably likely to have a Material Adverse Effect;

(e) the Bankruptcy Court shall have entered an order confirming the Plan of Reorganization, there shall be no stay of such order, and there shall be no suit, action, proceeding, or investigation (whether at law or equity, before or by any federal or state court, tribunal, board, agency, or instrumentality, or before any arbitrator) pending or threatened in writing with respect to such order;

(f) in connection with the Plan of Reorganization, (i) prior to the Initial Closing, WorldNet Communications, Inc. will be merged into WCI Cable, the Restated Charter and bylaws of WCI Cable shall be the governing documents of the Reorganized Debtor, and all outstanding shares of capital stock of WorldNet Communications, Inc. shall be cancelled, and (ii) AMP will have contributed an amount of the indebtedness owed to it to the capital/equity of WCI Cable, resulting in AMP holding an allowed claim in the Chapter 11 Cases equal to the AMP Allowed Claim;

(g) in connection with the Plan of Reorganization, at the Effective Date of the Plan of Reorganization, WCI Cable shall have discharged all of its Indebtedness other than ordinary course of business post-Petition trade payables, the AMP Debt, and the Key Bank Debt;

(h) the Restated Charter shall have been filed with the Delaware Secretary of State and continue to be effective as of the Initial Closing Date;

(i) each of the Material Third Party Consents shall have been obtained and shall be in full force and effect, and evidence of such Material Third Party Consents shall have been delivered to the Purchasers; and

(j) WCI Cable shall have made the deliveries it is required to make pursuant to Section 2.02(b).

Section 7.04 Conditions Precedent to Obligation of WCI Cable at the Second Closing. The obligation of WCI Cable to effect the Contemplated Transactions at the Second Closing shall be subject to the satisfaction at or prior to the Second Closing Date of the conditions set forth in Section 7.01 and of the following additional conditions (compliance with which or the occurrence of which may be waived in whole or in part in a writing executed by WCI Cable):

(a) each Regulatory Approval necessary for the consummation of the Contemplated Transactions to be completed at the Second Closing shall have been obtained and shall be in full force and effect; and

(b) the Purchasers shall have made the deliveries they are required to make pursuant to Section 2.02(c).

Section 7.05 Conditions Precedent to Obligation of the Purchasers at the Second Closing. The obligation of the Purchasers to effect the Contemplated Transactions at the Second Closing shall be subject to the satisfaction at or prior to the Second Closing Date of the

conditions set forth in Section 7.01 and of the following additional conditions (compliance with which or the occurrence of which may be waived in whole or in part in a writing executed by the Purchasers):

(a) each Regulatory Approval necessary for the consummation of the Contemplated Transactions to be completed at the Second Closing shall have been obtained and shall be in full force and effect; and

(b) the Purchasers shall have obtained a statement from the holder of each note and mortgage encumbering the Owned Real Property, dated the Second Closing Date, setting forth the principal amount then outstanding on the indebtedness represented by such note or secured by such mortgage, the interest rate thereon, and such other information as may be reasonably requested by the Purchasers;

(c) the Purchasers shall have obtained unconditional and binding commitments to issue policies of title insurance (or, in Purchasers' reasonable discretion, updates of policies of title insurance presently issued to the Debtors), dated the Second Closing Date, in form and substance reasonably satisfactory to the Purchasers, insuring WCI Cable's (or the applicable Subsidiary's) interest in each parcel of Owned Real Property, *provided, however*, the Purchasers shall have provided the Debtors with notice of any title defect that could reasonably be expected to prevent the Purchasers from obtaining such title insurance policies (or updates to the existing title insurance policies) within a reasonable amount of time prior to the Second Closing so as to allow WCI Cable (or the applicable Subsidiary) an opportunity to cure such title defect prior to the Second Closing Date.

(d) WCI Cable shall have made the deliveries it is required to make pursuant to Section 2.02(d).

ARTICLE VIII

FURTHER AGREEMENTS AND TERMINATION

Section 8.01 Termination. This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Second Closing (or, as specified below, prior to the Initial Closing):

(a) by mutual consent of each of WCI Cable and Purchasers;

(b) by Purchasers (provided that Purchasers are not then in material breach of any provision of this Agreement):

(i) if the Effective Date of the Plan of Reorganization has not occurred by June 30, 2002;

(ii) if, prior to the Initial Closing, a material default or material breach shall be made by WCI Cable with respect to the due and timely performance of any of its covenants or agreements contained herein, or if its representations or warranties contained in this Agreement (other than the representations and warranties contained in Sections 3.09, 3.10, 3.11,

3.12, 3.13, 3.14, 3.15, 3.16, 3.17 and 3.18) shall have become inaccurate (without giving effect to any materiality or Material Adverse Effect qualifications or exceptions contained therein), and such inaccuracy has had or would be reasonably likely to have, individually or together with other such inaccuracies, a Material Adverse Effect and such material default or material breach or inaccuracy remains uncured for a period of twenty (20) days following receipt of written notice from Purchasers;

(iii) if, prior to the Initial Closing, an event or events or circumstances (other than failure by the parties to obtain the Regulatory Approvals) shall have occurred since the date of this Agreement which, independently or together with any other event, events or circumstances that have occurred or are reasonably likely to occur, have or are reasonably likely to have a Material Adverse Effect; or

(iv) if the Second Closing shall not have occurred before the expiration of the eighteen (18) month period immediately following the date of this Agreement as a result of WCI Cable's failure to make its deliveries under Section 2.02 or the failure of the conditions specified in Sections 7.03(b), 7.03(d), 7.03(f), 7.03(g) or 7.03(i) to be satisfied, in each case prior to such date.

(c) by WCI Cable (provided that WCI Cable is not then in material breach of any provision of this Agreement):

(i) if, prior to the Initial Closing, a material default or material breach shall be made by Purchasers with respect to the due and timely performance of any of their covenants or agreements contained herein, or if its representations or warranties contained in this Agreement shall have become materially inaccurate and such inaccuracy has had or would be reasonably likely to have a material adverse effect of the ability of Purchasers to consummate the Contemplated Transactions and such material default or material breach or inaccuracy remains uncured for a period of twenty (20) days following receipt of written notice from WCI Cable;

(ii) if the Second Closing shall not have occurred before the expiration of the eighteen (18) month period immediately following the date of this Agreement;

(iii) if the Second Closing shall not have occurred before the expiration of the twelve (12) month period immediately following the Effective Date of the Plan of Reorganization; or

(iv) if, prior to the Initial Closing, WCI Cable decides, in accordance with Section 5.13, to accept a Superior Offer; *provided*, in such case, that WCI Cable shall be required to pay the cash termination fee specified in Section 8.02 below.

Section 8.02 Procedure and Effect of Termination. Except with respect to a termination pursuant to Section 8.01(c)(iv), in the event of termination and abandonment of the transactions contemplated hereby pursuant to Section 8.01, written notice thereof shall forthwith be given to the other parties to this Agreement and this Agreement shall terminate (subject to the provisions of this Section 8.02) and the Contemplated Transactions shall be abandoned, without further action by any of the parties hereto. In the event that WCI Cable desires to terminate and abandon the transactions contemplated hereby pursuant to Section 8.01(c)(iv), the Debtors shall

be obligated to pay Purchasers cash in the amount of \$1,700,000 upon consummation of the Superior Transaction. If this Agreement is terminated as provided herein, Section 5.01(b) to the extent expressly provided therein (Conduct of the Debtors Pending the Closing; Operating Agreement), Section 5.06 (Public Announcements), 5.14 (Protective Provisions), this Section 8.02 (Procedure and Effect of Termination), Section 8.03 (Effect of Termination on Communications Licenses), Section 9.01 (Notices), Section 9.04 (Governing Law), 9.05 (Venue and Retention of Jurisdiction) and Section 9.06 (Expenses) shall remain in full force and effect, and no party waives any claim or right against a breaching party in respect of any of its representations, warranties, covenants or agreements set forth in this Agreement; *provided, however*, no party shall be entitled to damages as a result of such breach or default in excess of the Escrow Funds. In no event shall any party be liable hereunder for any consequential, indirect special or incidental damages, whether based on contract, tort, or any other legal theory. In no event will any of the Debtors' officers, employees and directors be liable to the Purchasers or any third party in connection with any claims arising from or relating to the representations or warranties of the Debtors set forth in Article III hereof (including with respect to any fraud or intentional misrepresentation in connection with such representations and warranties), and, in the event of breach of such representations and warranties by any of the Debtors, Purchasers' sole remedy after the Initial Closing shall be against the Insurance Policy.

Section 8.03 Effect of Termination on Communications Licenses. If this Agreement is terminated for any reason prior to the Second Closing, the Purchasers shall, and the Purchasers shall cause Northstar to, promptly inform the relevant Governmental Authorities that they will not be consummating the Contemplated Transactions. In such event, the Debtors will retain all the Communications Licenses, and the Purchasers shall not, and the Purchasers shall ensure that Northstar does not, act under the authority of any Regulatory Approvals in any manner whatsoever. In the event that this Agreement is terminated for any reason after the Initial Closing but prior to the Second Closing, Neptune shall, and Neptune shall cause Northstar to, maintain any STA granted as contemplated hereunder in full force in effect, subject to obtaining any required Regulatory Approvals for extending any such STA, for the 180-day period immediately following such termination solely for the purpose of operating the Business in accordance with the terms of the Operating Agreement. Upon the expiration of such 180-day period, Neptune shall, and Neptune shall cause Northstar to, surrender immediately any such STA to the appropriate Governmental Authority and thereafter shall not act under authority of any such STA in any manner whatsoever.

ARTICLE IX

GENERAL PROVISIONS

Section 9.01 Notices. All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed given upon (a) confirmation of receipt of a facsimile transmission (if received on a Business Day, or if not, on the next succeeding Business Day), (b) confirmed delivery by a standard overnight carrier or when delivered by hand, or (c) the expiration of three (3) Business Days after the day when mailed by registered or certified mail (postage prepaid, return receipt requested), addressed to the respective parties at the following addresses (or such other address for a party as shall be specified by like notice):

(a) If to the Purchasers, to:

Neptune Communications, LLC
Crest Communications Corporation
12315 Blair Ridge Rd.
Fairfax, VA 22033-1821
Telecopy: (703) 620-9794
Attention: Donald J. Schroeder

with copies to:

Cooley Godward LLP
One Freedom Square, Reston Town Center
11951 Freedom Drive
Reston, VA 20190
Telecopy: (703) 456-8100
Attention: Michael R. Lincoln
Adam L. Salassi
Mark D. Spoto

and

Ball Janik LLP
101 Southwest Main Street
Portland, OR 97204
Telecopy: (503) 226-3910
Attention: Leon Simson

(b) If to WCI Cable prior to the Second Closing, to:

c/o WCI Cable, Inc.
19720 NW Tanasbourne Drive
Hillsboro, OR 97124-9073
Telecopy: (503) 466-8501
Attention: Keith Maib

with a copy to:

Gardere Wynne Sewell LLP
1601 Elm Street, Suite 3000
Dallas, Texas 75201-4761
Telecopy: 214-999-4667
Attention: Robert J. Miller
Stephen A. McCartin

Section 9.02 Descriptive Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 9.03 Entire Agreement, Assignment. This Agreement (including the Exhibits and the Disclosure Schedules and the other documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the parties, with respect to the subject matter hereof. This Agreement and the rights and obligations may not be assigned by any party hereto, including by operation of law or otherwise except (i) with the written consent of the other parties hereto, or (ii) by Purchasers to one or more direct or indirect subsidiaries or other Affiliates of Purchasers which assignment shall not relieve Purchasers of any of their obligations hereunder.

Section 9.04 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware without regard to the rules of conflict of laws of the State of Delaware.

Section 9.05 Venue and Retention of Jurisdiction. All actions brought, arising out of, or related to the Contemplated Transactions shall be brought in the Bankruptcy Court, and the Bankruptcy Court shall retain jurisdiction to determine any and all such actions.

Section 9.06 Expenses. Except as otherwise provided herein, whether or not the actions contemplated by this Agreement are consummated, all costs and expenses incurred in connection with this Agreement and the Contemplated Transactions shall be paid by the party incurring such expenses. Notwithstanding the foregoing, provided that the Plan of Reorganization is confirmed by the Bankruptcy Court and becomes effective and the Contemplated Transactions are consummated, the Debtors will be reimbursed by the Purchasers for the Debtors direct costs and expense incurred after the date that this Agreement is executed with respect to the Alaska Railroad litigation described in Disclosure Schedule 3.08 out of the savings, if any, resulting from such litigation to WCI Cable and the Subsidiaries.

Section 9.07 Amendment. Except as otherwise expressly provided herein, this Agreement (including the Exhibits and the Disclosure Schedules) may not be amended except by an instrument in writing signed on behalf of the parties hereto.

Section 9.08 Waiver. At any time prior to the Second Closing Date, the parties hereto may (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

Section 9.09 Counterparts; Effectiveness. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement shall become effective when each party hereto shall have received counterparts thereof signed by all the other parties hereto.

Section 9.10 Severability; Validity; Parties in Interest. If any provision of this Agreement or the application hereof to any person or circumstance is held invalid or unenforceable, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to such end, the provisions of this Agreement are agreed to be severable. Nothing in this Agreement, express or implied, is intended to confer upon any person not a party to this Agreement (including any employee or former employee of WCI Cable or creditor or interest holder) any rights or remedies of any nature whatsoever under or by reason of this Agreement.

Section 9.11 Enforcement of Agreement. The parties hereto agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being, in addition to all other remedies available at law or in equity.

Section 9.12 Non-survival of Representations, Warranties and Agreements. All representations and warranties shall terminate at the Initial Closing, and (except as set forth in Section 8.02 and in the following sentence) all covenants set forth in this Agreement or in any certificate, document or other instrument delivered in connection herewith shall terminate at the Second Closing. Except as set forth in Section 8.02, those covenants that contemplate actions to be taken or obligations in effect after the Second Closing or termination of this Agreement, as the case may be, shall survive in accordance with their terms and to the extent so contemplated.

Section 9.13 No Other Representation. Notwithstanding anything to the contrary contained in this Agreement, it is the explicit intent of each party hereto that WCI Cable is making no representation or warranty whatsoever, express or implied, except those representations and warranties contained in Article III above. It is understood that Purchasers take the Shares and the Business conducted by WCI Cable "*AS IS*" and "*WHERE IS*."

Section 9.14 Acknowledgement of Other Debtors. The other Debtors are executing and delivering this Agreement to the Purchasers as an acknowledgement of the matters contemplated in Articles V and IX hereby and their agreement to abide by such matters.

ARTICLE X

DEFINITIONS

Section 10.01 Defined Terms. As used herein, the terms below shall have the following meanings.

"*Affiliate*" shall mean with respect to any Person, any other person who, directly or indirectly, controls, is controlled by, or is under common control with that Person.

"*AMP Allowed Claim*" means 110% of the greater of (a) \$40,000,000.00 or (b) the Cash Consideration (without taking into account any possible adjustment pursuant to Section 1.03 as a result of a failure to close by April 30, 2002), plus the original principal amount of the AMP Debt.

"AMP Debt" means a secured promissory note payable to AMP, with terms substantially as set forth on *Exhibit 10.01(a)* herein and such other terms and conditions reasonably satisfactory to AMP, WCI Cable and the Purchasers, in the original principal amount of \$12.5 million, issued by WCI Cable upon the Effective Date of the Plan of Reorganization.

"Applicable Law" means any law, statute, order, rule, ordinance or regulation in any jurisdiction in which WCI Cable or any of the Debtors are conducting business or where the Assets are located.

"Bankruptcy Court" means the United States District Court for the District of Oregon and any other court having jurisdiction over the Chapter 11 Cases.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banking institutions in Portland, Oregon, are authorized or required by law or executive order to close.

"Code" means the Internal Revenue Code of 1986, as amended.

"Communications Licenses" mean licenses, permits, certificates, franchises, consents, waivers, registrations and other regulatory authorizations from the appropriate national, regional, state, local or other governmental authority in each applicable jurisdiction that relate to the operation of the Business and holding of the Assets.

"Confidentiality Agreement" means the letter agreement between WCI Cable and Neptune regarding confidential treatment of certain information concerning WCI Cable, its Affiliates and its subsidiaries, dated September 7, 2001.

"Contract" means all rights under contracts, commitments, leases of real and personal property, licenses, purchase orders and all other legally binding arrangements oral or written to which WCI Cable or any of the Debtors is a party or to which WCI Cable, any of the Debtors or any of the Assets is subject.

"Customer Contracts" means Contracts with any of WCI Cable's or the Debtors' customers.

"Debtor's Knowledge" means the knowledge of Keith Maib and the knowledge that such individual should have in the reasonable exercise of duties as the Chief Executive Officer of the Debtors, including inquiry of his direct reports.

"Environmental Laws" means any and all laws, statutes, rules, regulations, orders, ordinances, codes and rules of common law of any Governmental Authority relating to pollution, or protection of the environment in effect at the date of this Agreement in any and all jurisdictions in which WCI Cable and the Debtors are conducting business or where the Assets are located, including any judicial or administrative order, consent decree, judgment or settlement relating to the environment, Hazardous Materials, or exposure to Hazardous Materials.

"Equity Securities" means (i) the shares of capital stock of a corporation, (ii) the general or limited partnership interests in any partnership, (iii) the membership or other ownership interest in any limited liability company, (iv) the equity securities of or other ownership interests or rights in any other legal entity, or (v) any option, warrant or other right to convert into or otherwise receive any of the foregoing (in any such case, whether owned or held beneficially or legally).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"FCC" means the Federal Communications Commission.

"GAAP" means generally accepted accounting principles and practices in effect in the United States from time to time.

"Governmental Authority" shall mean any national, regional, state, provincial or local court, or governmental or regulatory agency with jurisdiction over the Business (including the Bankruptcy Court).

"Hazardous Materials" means: (i) any "waste," "hazardous waste," "industrial waste," "solid waste," "hazardous material," "hazardous substance," "toxic substance," "hazardous material," "pollutant," or "contaminant" as those terms are defined, identified, or regulated under any Environmental Laws; (ii) any asbestos, polychlorinated biphenyls, or radon; (iii) any petroleum, petroleum hydrocarbons, petroleum products, crude oil and any components, fractions, or derivatives thereof; and (iv) any substance that, whether by its nature or its use, is subject to regulation under any Environmental Law.

"include" or "including" means including without limitation.

"Indebtedness" means, with respect to WCI Cable and the Debtors, the following: (i) all obligations, including interest thereon, for borrowed money; (ii) all obligations, including interest, prepayment penalties, late charges and collection fees thereon, evidenced by bonds, debentures, notes or other similar instruments; (iii) all obligations to pay the deferred purchase price of property or services, accrued commissions and other similar accrued current liabilities in respect of such obligations, arising in the ordinary course of business; (iv) capital lease obligations; (v) all obligations or liabilities of others secured by an Encumbrance on any asset owned by Debtors; (vi) all obligations, contingent or otherwise, in respect of any letter of credit or bankers acceptances; (vii) all guarantees; and (viii) all obligations incurred in accordance with Sections 364(b), (c) and (d) of the Bankruptcy Code.

"Insurance Policy" means an insurance policy to be obtained by Purchasers providing indemnity for losses and damages that Purchasers may suffer relating to any breaches of the representations and warranties made by WCI Cable hereunder. WCI Cable and its officers and directors will have no liability with respect to Purchasers' obligation related to or arising out of the Insurance Policy, except to cooperate with reasonable requests for information requested prior to the Second Closing by any insurance carriers with respect to such Insurance Policy.

"Legal Proceeding" means any judicial, administrative, regulatory or arbitral proceeding, investigation or inquiry or administrative charge or complaint pending at law or in equity before any domestic or foreign governmental or regulatory body or authority.

"Loss" or "Losses" means any and all damages, fines, penalties, deficiencies, losses and expenses (including interest, court costs, reasonable fees of attorneys, accountants and other experts or other reasonable expenses of litigation or other proceedings or of any claim, default or assessment).

"Material Adverse Effect" means (1) any change or changes in, or effect on, the Business that is individually, or are in the aggregate, reasonably likely to be materially adverse to the operation of the Business, taken as a whole, taking into account the Debtors' current status as filers under Chapter 11 of the Bankruptcy Code, other than (i) any change or effect in any way resulting from or arising in connection with this Agreement or any of the Contemplated Transactions (including any announcement with respect to this Agreement or any of the Contemplated Transactions), (ii) changes in (A) economic conditions generally or (B) general business or economic conditions or regulatory or political conditions relating to any industries in which the Debtors participate, which is not specific to the Debtors, or (iii) any change in or effect on the Business which is promptly cured (including by the payment of money) by WCI Cable before the expiration of the twelve month period immediately following the date of this Agreement or (2) a material adverse effect on the ability of WCI Cable or any of the Debtors to consummate the Contemplated Transactions.

"Material Decision" shall mean any of the following to the extent the same may affect the Business following the Second Closing: (i) enter into any Contract that involves payments of \$50,000 or more; (ii) terminate, amend or modify or waive any rights in respect of any Reinstated Contract; (iii) enter into any new Customer Contract on terms materially different from current prices, terms and conditions; (iv) make any material change in any of the Debtors' methods of collecting Trade Receivables or making or agreeing to make any settlement concerning a Trade Receivable in excess of \$25,000; or (v) a material change in pricing, promotional, marketing, or any other decision that would reduce in any material respect any of the Debtors' customary profit margins.

"Northstar" shall mean Northstar License Corporation, a Delaware corporation, which is a wholly owned subsidiary of Neptune.

"party" means any signatory to this Agreement and **"parties"** mean all signatories to this Agreement, unless the context otherwise requires.

"Permitted Encumbrances" means (i) with respect to or upon the Assets (other than the Owned Real Property), any (1) easement, encroachment or similar reservation which does not impair the current use, occupancy, or value, or the marketability of title, of such Asset (other than the Owned Real Property) and which would not individually (or in the aggregate with others) be reasonably expected to have a material adverse effect on the use or enjoyment of such Asset; (2) liens securing the performance of bids, tenders, leases, contracts (other than for the repayment of debt), statutory obligations, surety, customs and appeal bonds and other obligations of like nature, incurred as an incident to and in the ordinary course of the operation of the Assets;

and (3) extensions, renewals and replacements of liens referred to in clauses (1) through (3) of this sentence; provided, that any such extension, renewal or replacement lien shall be limited to the property or assets covered by the lien extended, renewed or replaced and that the obligations secured by any such extension, renewal or replacement lien shall be in an amount not greater than the amount of the obligations secured by the original lien extended, renewed or replaced, none of which, individually or in the aggregate, have a material adverse effect upon the value of the property subject thereto or the use to which such property is presently put and (4) liens securing the AMP Debt; and (ii) with respect to the Owned Real Property, those matters set forth on *Exhibit 10.01(b)*.

"Permits" means all permits, licenses, franchises, certificates of occupancy, variances, exemptions, orders, rights of way, easements, and other governmental authorizations, consents, waivers, registrations and approvals necessary to operate the Assets as presently operated other than the Communications Licenses.

"Person" means any natural person, firm, partnership, limited liability company, association, corporation, Debtor, WCI Cable, Purchaser, trust, business trust or other entity.

"Regulatory Approvals" mean (i) the STA, and (ii) the notifications, consents and other authorizations made with or to be obtained from any telecommunication regulatory authority that are necessary or required in order to permit the Purchasers to acquire, and the Purchasers and Northstar to operate, the Business as currently operated after the Second Closing, which notifications, consents and other authorizations are described on *Disclosure Schedule 10.1*.

"Returns" shall mean all reports, estimates, declarations of estimated tax, information statements and returns relating to, or required to be filed in connection with, any Taxes, including information returns or reports with respect to backup withholding and other payments to third parties.

"SEC" means the Securities and Exchange Commission.

"STA" means (i) the grant by the FCC of a special temporary authorization to Neptune and Northstar, allowing Neptune and Northstar to assume operating control of the facilities and the Business of the Debtors pending FCC approval of the FCC Consent Applications, and (ii) the grant by the appropriate Governmental Authority of Alaska, Oregon, or Washington of similar types of authorizations with respect to Communications Licenses granted by such Governmental Authorities.

"Subsidiaries" means Alaska Fiber Star, LLC, Alaska North Star Communications, LLC, WCIC Hillsboro, LLC and WCI LightPoint, LLC.

"Superior Offer" means a firm offer from a third party to acquire substantially all of the assets or equity securities of the Debtors which Debtors, in their good faith judgment (including consideration of all contingencies), believe provides a transaction value to the Debtors that is at least \$2,200,000.00 greater than the transaction value to the Debtors under the transactions contemplated by the Stock Purchase Agreement.

"Superior Transaction" means the closing of the transaction described in the Superior Offer.

"Taxes" shall mean all taxes, however denominated, including any interest, penalties or other additions to tax that may become payable in respect thereof, imposed by any federal, territorial, state, local or foreign government or any agency or political subdivision of any such government, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and state income taxes), real property gains taxes, payroll and employee withholding taxes, unemployment insurance taxes, social security taxes, sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, Pension Benefit Guaranty Corporation premiums and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which WCI Cable or any of the Debtors is required to pay, withhold or collect.

"Third Party Consents" means any approvals, consents, ratifications, permissions, waivers or authorizations of any signatory to any Reinstated Contract (including Customer Contracts and Real Property Leases) or any party to any Permit, in each case, that may be required in order for such Reinstated Contract or Permit to remain in full force and effect immediately following the consummation of the Contemplated Transactions.

Section 10.02 Index of Defined Terms.

The terms listed below shall have meanings set forth in the Section listed across from the term.

Term	Section or Reference
Agreement	Preamble
AMP	1.03
Assets	3.09
Bankruptcy Code	Recitals
Business	Recitals
Cash Consideration	1.03
CERCLA	3.16
Chapter 11 Cases	Recitals
Closings	2.01(b)
Communications Regulation	5.04
Contemplated Transactions	Recitals
Cure Amounts	3.11
Debtors	Recitals
Debtors Representatives	6.02
Disclosure Schedules	Article III
Effective Date of the Plan of Reorganization	1.03
Encumbrances	1.02
Environmental Assessments	7.03
Escrow Agreement	1.04
Escrow Funds	1.04
FCC Consent Applications	5.04
Fully-Diluted Capital Stock	Recitals
Governmental Requirements	3.03
HSR Act	3.03
Initial Closing	2.01
Initial Closing Date	2.01
Initial Closing Percentage	2.01
Key Bank Debt	1.03
Leased Real Property	3.04
Liquidating Trust	6.02
Mandatory Close Date	1.03
Material Third Party Consents	5.04(d)
Neptune	Preamble
NOCC	Recitals
Petition	Recitals
Petition Date	Recitals
Plan of Reorganization	Recitals

Term	Section or Reference
Purchasers	Preamble
Operating Agreement	5.01
Owned Real Property	3.05
Real Property Leases	3.05
Reinstated Contracts	3.10
Reorganized Debtor	Recitals
Restated Charter	1.01
Second Closing	2.01
Second Closing Date	2.01
Series A Preferred	Recitals
Series A-1 Preferred	1.01
Shares	1.01
Stockholders' Agreement	2.02
Stock Purchaser	Preamble
Transfer Taxes	5.08
WCI Cable	Preamble
WCI Shares	1.01
WCI Conversion Shares	1.01
WorldNet	Recitals

IN WITNESS WHEREOF, WCI Cable, the Debtors and the Purchasers have caused this Stock Purchase Agreement to be executed on their behalf by their officers thereunto duly authorized, as of the date first above written.

NEPTUNE COMMUNICATIONS, LLC

By: Donald J. Schroeder
Name: DONALD J. SCHROEDER
Title: PRESIDENT & C.E.O.

CREST COMMUNICATIONS CORPORATION

By: Donald J. Schroeder
Name: DONALD J. SCHROEDER
Title: PRESIDENT & C.E.O.

WCI CABLE, INC.

By: _____
Name: _____
Title: _____

WORLDNET COMMUNICATIONS, INC.

By: _____
Name: _____
Title: _____

ALASKA FIBER STAR, LLC

By: _____
Name: _____
Title: _____

02/08/18 MON 07:45 FAX

005

IN WITNESS WHEREOF, WCI Cable, the Debtors and the Purchasers have caused this Stock Purchase Agreement to be executed on their behalf by their officers thereunto duly authorized, as of the date first above written.

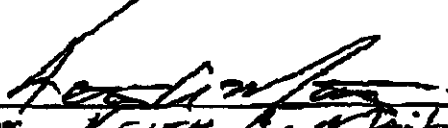
NEPTUNE COMMUNICATIONS, LLC

By: _____
Name: _____
Title: _____

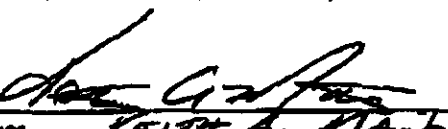
CREST COMMUNICATIONS CORPORATION

By: _____
Name: _____
Title: _____

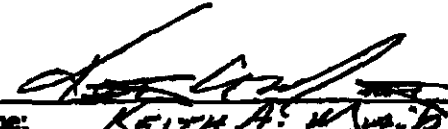
WCI CABLE, INC.

By: 
Name: KEITH A. NAITO
Title: CEO

WORLDNET COMMUNICATIONS, INC.

By: 
Name: KEITH A. NAITO
Title: CEO

ALASKA FIBER STAR, LLC

By: 
Name: KEITH A. NAITO
Title: MANAGING MEMBER

119017 v00E
2961001.DOC
DALLAS 1090833v6

JAN-07-02 11:12 From:GARDERE


+2149984908

T-536 P.03/03 Job-749


02/08/18 MON 07:45 FAX

0008


ALASKA NORTHSTAR COMMUNICATIONS,
LLC

By: 
Name: KEITH A. NAILS
Title: MANAGING MEMBER

WCIC HILLSBORO, LLC

By: 
Name: KEITH A. NAILS
Title: MANAGING MEMBER

WCI LIGHTPOINT, LLC

By: 
Name: KEITH A. NAILS
Title: MANAGING MEMBER

119017 VARE
2761001.DOC
DALLAS 1090833v6

01/07/2002 MON 12:22 [TX/RX NO 8352] 003

Exhibit 5.01

OPERATING AGREEMENT

This **OPERATING AGREEMENT** (the "Agreement") is made and entered into as of _____, 2002, by and among **WCI CABLE, INC.**, a Delaware corporation ("**WCIC**"), as debtor-in-possession, on behalf of itself and its Affiliates and subsidiaries that are signatories hereto (collectively, the "Operator"; **NEPTUNE COMMUNICATIONS, LLC**, a Delaware limited liability company ("**Neptune**"), **ALASKA FIBER STAR LICENSE CORPORATION**, a Delaware corporation ("**Alaska License**") and **NORTHSTAR LICENSE CORPORATION**, a Delaware corporation ("**Northstar**") (collectively, Neptune, Alaska License, and Northstar shall be referred to herein as the "Manager"; and, to the limited extent required herein, **CREST COMMUNICATIONS CORPORATION**, a Delaware corporation and a wholly-owned subsidiary of Neptune ("**Crest**," which, together with Neptune, shall be referred to herein as the "Purchasers"). Operator, Neptune, Alaska License, Northstar, and Crest hereinafter are referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Operator, together with certain Affiliates and subsidiaries, filed a voluntary petition (the "Petition") on August 20, 2001 (the "Petition Date"), for relief commencing a case (collectively, the "Chapter 11 Case") under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. Sections 101 et seq. (the "Bankruptcy Code") in the United States District Court for the District of Oregon (the "Bankruptcy Court") (jointly administered under Case No. 301-38242-rld11);

WHEREAS, Operator owns and operates certain fiber-optic network businesses and related assets in the states of Oregon, Alaska and Washington, including (i) a terrestrial fiber optic cable network located in Alaska known as "Alaska Fiber Star," (ii) a submarine fiber optic cable network located in the Pacific Ocean off the northwest coast of the United States and Canada connecting Whittier to Valdez and Juneau, Alaska, and to the continental United States, known as "Alaska North Star," (iii) network operation control centers (each, a "NOCC") in Anchorage, Alaska, and Hillsboro, Oregon, (iv) cable landing facilities in Whittier, Juneau, and Valdez, Alaska, and Nedonna Beach, Oregon, (v) terrestrial transport from the Nedonna Beach, Oregon, landing facility to the Hillsboro, Oregon, NOCC, and (vi) collocation facilities located in Anchorage, Alaska, Hillsboro and Portland, Oregon, and Seattle, Washington (collectively, the "Business");

WHEREAS, Operator is authorized by Governmental Authorities, including the FCC, to conduct the Business in accordance with the Communications Licenses granted to Operator, or its predecessors and successors in interest;

WHEREAS, Operator and Purchasers have entered into a Stock Purchase Agreement, dated as of January 5, 2002 (the "Purchase Agreement"), whereby Operator, subject to obtaining all requisite Bankruptcy Court approvals and Regulatory Approvals, has agreed to sell, and Crest has agreed to acquire, shares of Operator's stock in accordance with the terms of the Purchase Agreement and all agreements related thereto; and

WHEREAS, the Purchase Agreement includes provision for entering into this Agreement, whereby Operator agrees to allow Manager, subject to Operator's ultimate control and to the Parties' compliance with all Applicable Laws, including, but not limited to, the rules and regulations of the FCC and all other appropriate Governmental Authorities, to perform the Management Services (as hereinafter defined), and Manager agrees to perform the Management Services subject to such requirements, for the Term (as hereinafter defined);

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein and in the Purchase Agreement, the Parties agree as follows:

1. DEFINITIONS. For purposes of this Agreement, all capitalized terms not otherwise defined herein shall have the meanings set forth in the Purchase Agreement.

2. EFFECTIVE DATE AND TERM.

(a) This Agreement shall become effective (the "Effective Date") upon the Initial Closing or upon such earlier date agreed to in writing by the Parties.

(b) This Agreement shall remain in full force and effect (the "Term") until the earlier of (i) termination under Paragraphs 9(a) or 9(b) herein (the "Termination Date"), (ii) the Second Closing, or (iii) the 180-day period (the "Term Extension Date") immediately following the termination of the Purchase Agreement pursuant to Section 8.01 thereof (the "Withdrawal Date").

3. APPOINTMENT OF MANAGER. Operator hereby appoints Manager, and Manager hereby accepts such appointment, subject to the terms of this Agreement and the Purchase Agreement, as the sole and exclusive manager of the Business, which shall include, but is not limited to, the provision of Management Services identified in Paragraph 4 below.

4. MANAGEMENT SERVICES. Operator shall use its reasonable best efforts to preserve intact and operate the Business in the ordinary course, taking into account the filing of the Petitions, the directives of the Bankruptcy Court, and the additional covenants and agreements set forth in the Purchase Agreement; provided that the foregoing shall not prevent Operator from rejecting Contracts that are not Reinstated Contracts. Under the direction of, guidance of, and, as applicable, approval by, the Operator, and subject to the limitations on the Manager's authority required by Applicable Law, this Agreement or the Purchase Agreement, with respect to the Business, the Manager will develop, prepare and implement the policies and organization relating to human resources, administration, operations, regulatory compliance, financing, marketing and commercialization, acquisitions, strategic planning, and business development (the "Management Services"). The specific responsibilities of the Manager in this regard shall include, but are not limited to, the following:

(a) consultation with respect to the strategic business policies and objectives of the Business;

(b) consultation with respect to the technical, operational and customer care aspects of the Business;

(c) acting as an agent for the Operator in negotiating such agreements as may be necessary for the provision of supplies and services related to the operation of the Business;

(d) consultation regarding the commercial aspects of the Business, including new services, new products, strategies and commercial procedures, and payment systems;

(e) consultation with respect to the financial aspects of the Business, including the identification of sources of financing and treasury management;

(f) assistance with administration of human resource matters, including all personnel decisions;

(g) assistance with administration of legal and tax matters, including, but not limited to, ongoing compliance with all Applicable Laws; and

(h) assistance with administration of all public relations matters.

5. OPERATING BUDGET. Prior to the Effective Date, the Parties shall finalize the budget that is attached hereto and incorporated herein by reference as Exhibit 1 for the continued operation of the Business during the period commencing on the Effective Date and ending on the first to occur of the Termination Date or the Second Closing ("Operating Budget").

(a) Any changes to the Operating Budget must be agreed to in writing by the Parties no later than ten (10) Business Days prior to the month when such changes are to take effect.

(b) Pursuant to Section 5(b) of the Purchase Agreement and subject to Section 5(c) hereof, Purchasers have agreed to fund the Operating Budget, on a monthly basis, until the first to occur of the Termination Date or the Second Closing, provided that the Business is managed substantially in accordance with the Operating Budget.

(c) If the Purchase Agreement is terminated pursuant to Section 8.01 thereof and the Term hereof extends beyond the Withdrawal Date pursuant to Paragraph 2(b)(iii) herein, Manager shall continue to perform all its Management Services hereunder from the Withdrawal Date until the Term Extension Date, but Purchasers shall not be obligated to fund the Operating Budget during such period.

6. GENERAL AUTHORITY. Manager is empowered, under Operator's ultimate authority and supervisory control, to take appropriate actions to give directives and instructions, as the Manager deems necessary or advisable, so long as the foregoing actions are not in violation of Applicable Law or other limitations on the Manager's authority set forth in this Agreement. To facilitate performance of the Manager's responsibilities hereunder, Operator, subject to the limitations set forth herein or under Applicable Law, shall cause its officers, personnel and agents (i) to cooperate fully with the Manager; (ii) to comply with the Manager's

directions and procedures; (iii) to provide all information requested by the Manager; and (iv) to allow the Manager full and complete access to Operator's books and records.

7. ULTIMATE CONTROL. Purchasers, Alaska License and Northstar covenant and agree not to take any action to change the members of Operator's Board of Directors, as constituted prior to the Effective Date. The Parties hereby covenant and agree, at all times during the Term, that their activities under this Agreement shall be in compliance with all Applicable Laws, including, but not limited to, all rules and regulations of the FCC and other appropriate Governmental Authorities. Without limiting the generality of the foregoing and notwithstanding any other provision of this Agreement or the Purchase Agreement, it is the express intention and understanding of the Parties that the Operator, at all times, shall retain ultimate authority and supervisory control over: (i) all aspects of the Business (including the Operating Budget); (ii) the preparation and filing of all materials with the FCC and other Governmental Authorities; (iii) the employment, supervision, and dismissal of all personnel hired as employees or agents of the Operator; and (iv) the incurrence and payment of all financial obligations and operating expenses. The Parties also agree that the Operator shall retain unfettered use of, and unimpaired access to, all facilities and equipment associated with the Business. Manager shall be prohibited from being involved in, or from engaging in any conduct that would suggest involvement in, unauthorized control of the Business. Nothing in this Agreement or the Purchase Agreement is intended to diminish or restrict the fulfillment by Operator of its obligations as a grantee of the Communications Licenses or as a licensee of any other Governmental Authority. In the event that a Governmental Authority determines that any provision of this Agreement violates any Applicable Law, the Parties will, pursuant to Paragraph 15 herein, conform this Agreement and modify their conduct so as to be in compliance with such Applicable Law(s).

8. MANAGEMENT FEE. As part of the Operating Budget, the Parties shall agree on the fees that will be paid by the Operator to the Manager in consideration for rendering the Management Services set forth in this Agreement.

9. TERMINATION. This Agreement shall terminate upon the earliest to occur of any of the following dates or events:

- (a) written agreement of all the Parties;
- (b) a material breach of this Agreement that remains uncured for a period of 30 days following notice of such breach by the non-breaching Party to the breaching Party;
- (c) the Second Closing; or
- (d) the Term Extension Date.

10. OBLIGATIONS UPON TERMINATION. Upon any termination of this Agreement pursuant to Paragraphs 9(a), 9(b) or 9(d) hereof, Purchasers and/or Manager shall:

- (a) immediately comply with all the obligations set forth in Section 8.03 of the Purchase Agreement;

(b) leave the Business in the same condition as it was on the Effective Date, reasonable wear and tear excepted;

(c) immediately cease any activities hereunder or under the Purchase Agreement, except with Operator's express written consent;

(d) immediately provide Operator all copies of any books, records, and other materials related to the Business;

(e) within ten (10) Business Days, pay all financial obligations incurred hereunder for which it is responsible under Paragraph 5; and

(f) within three (3) Business Days, provide Operator a written report setting forth all information regarding the status of the Business that Operator requires to continue its operation in the normal course.

11. ENFORCEMENT OF AGREEMENT. The Parties agree that irreparable damage would occur in the event that any provision of this Agreement was not performed in accordance with its specific terms or otherwise were breached. It is accordingly agreed that each Party shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to all other remedies available at law or in equity.

12. NOTICES. All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed given upon (a) confirmation of receipt of a facsimile transmission (if received on a Business Day, or if not, on the next succeeding Business Day), (b) confirmed delivery by a standard overnight carrier or when delivered by hand, or (c) the expiration of three (3) Business Days after the day when mailed by registered or certified mail (postage prepaid, return receipt requested), addressed to the respective Parties at the following addresses (or such other address for a Party as shall be specified by like notice):

(a) If to the Manager or Purchaser, to:

Neptune Communications, LLC
Crest Communications Corporation
Northstar License Corporation
Alaska Fiber Star License Corporation
12315 Blair Ridge Road
Fairfax, VA 22033-1821
Telecopy: (703) 620-9794
Attention: Donald J. Schroeder

with copies to:

Cooley Godward LLP
One Freedom Square, Reston Town Center
11951 Freedom Drive
Reston, VA 20190
Telecopy: (703) 456-8100
Attention: Michael R. Lincoln
Adam L. Salassi
Mark D. Spoto

and

Steptoe & Johnson, LLP
1330 Connecticut Ave., N.W.
Washington, D.C. 20036
Telecopy: (202) 429-3902
Attention: Philip L. Malet

(b) If to Operator, to it:

c/o WCI Cable, Inc.
19720 NW Tanasbourne Drive
Hillsboro, OR 97124-9073
Telecopy: (503) 466-8501
Attention: Keith Maib

with a copy to:

Gardere Wynne Sewell LLP
1601 Elm Street, Suite 3000
Dallas, Texas 75201-4761
Telecopy: 214-999-3219
Attention: Robert J. Miller

13. WAIVERS; AMENDMENT. At any time during the Term, the Parties may (a) extend the time for the performance of any of the obligations or other acts of the other Parties, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto, and (c) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. Except as otherwise expressly provided herein, this Agreement may not be amended except by an instrument in writing signed on behalf of the Parties.

14. GOVERNING LAW; VENUE; JURISDICTION. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the rules of conflict of laws of the State of Delaware; except that this Agreement shall be governed

by the rules and regulations of each applicable Governmental Authority with respect to the Communications Licenses or Regulatory Approvals it has granted. All actions brought, arising out of, or related to the Agreement shall be brought in the Bankruptcy Court, and the Bankruptcy Court shall retain jurisdiction to determine any and all such actions.

15. SEVERABILITY. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under any current or future Applicable Law, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision never comprised a part hereof; and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as part of this Agreement, a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

16. FORCE MAJEURE. An Excusable Delay in a Party's performance of any obligation under this Agreement means any delay caused by an event that is beyond the reasonable control of the Party with the duty of performance (which shall include the duty to exercise reasonable foresight and/or precautions) and is not primarily attributable to the fault or negligence of that Party, including any delay arising from one of the following: acts of any government in its sovereign capacity, which shall include zoning or licensing actions; war or insurrection; strike or work slowdown; extreme weather; fire, earthquake, flood, epidemic, or quarantine restriction; and acts of God. Where performance is delayed by reason of an Excusable Delay, the time for performance, and any otherwise applicable time limit, schedule or deadline, shall be extended for a period of time equal to the period of Excusable Delay.

17. ATTORNEYS' FEES. If a dispute relating to this Agreement results in any proceeding (litigation or other proceeding), the decision or award may provide that the prevailing Party shall be entitled to recover reasonable attorneys' fees, expenses and costs from the non-prevailing Party or Parties, and the amount of the fees, expenses or costs so recoverable.

18. INDEMNIFICATION.

(a) Neptune agrees to indemnify and hold Operator harmless from any and all losses, costs, liabilities, damages and expenses (including reasonable legal fees and other expenses incident thereto) of every kind, nature or description ("Damages") arising out of any action taken or omitted by Manager or Purchasers, their Affiliates, employees or agents in breach of this Agreement. Neptune further agrees that it shall be liable to Operator for any Damages incurred by it as a result of any such action or inaction in breach of this Agreement. Neptune shall not have any obligation to indemnify Operator for failure to comply with the Agreement if such failure results from the occurrence of any contingency beyond Neptune's reasonable control which renders performance impossible under the terms set forth in Paragraph 16 hereunder, including, but not limited to, any changes in an applicable Governmental Authority's rules and policies.

(b) Operator agrees to indemnify and hold Manager and Purchasers harmless from any Damages arising out of any action taken or omitted by Operator, its Affiliates,

employees or agents in breach of this Agreement. Operator further agrees that it shall be liable to Manager and Purchasers for any Damages incurred by such Parties as a result of any such action or inaction in breach of this Agreement. Operator shall not have any obligation to indemnify Manager or Purchasers for failure to comply with the Agreement if such failure results from the occurrence of any contingency beyond Operator's reasonable control which renders performance impossible under the terms set forth in Paragraph 16 hereunder, including, but not limited to, any changes in an applicable Governmental Authority's rules and policies.

19. THIRD PARTIES. Nothing in this Agreement, express or implied, is intended to confer upon any person not a Party to this Agreement (including any employee or former employee of any of Operator's creditors or interest holders) any rights or remedies of any nature whatsoever under or by reason of this Agreement.

20. COUNTERPARTS. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement. This Agreement shall be deemed fully executed when each Party shall have received counterparts thereof signed by all the other Parties.

21. INTERPRETATION. This Agreement has been prepared and negotiations in connection herewith have been carried on by the joint efforts of the Parties. This Agreement is to be construed fairly and simply and not strictly for or against any of the Parties.

22. HEADINGS. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

23. ENTIRE AGREEMENT, ASSIGNMENT. This Agreement, including Exhibit 1 hereto, together with the Purchase Agreement, constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between the Parties, with respect to the subject matter hereof. This Agreement and the rights and obligations may not be assigned by any Party, including by operation of law or otherwise except (i) with the written consent of the other Parties, or (ii) by a Party to one or more direct or indirect subsidiaries or other Affiliates of such Party which assignment shall not relieve such Party of any of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Operating Agreement as of the date first above written.

MANAGER AND PURCHASERS:

NEPTUNE COMMUNICATIONS, LLC

By: _____
Name: _____
Title: _____

(Signatures continue on next page)

NORTHSTAR LICENSE CORPORATION

By: _____
Name: _____
Title: _____

ALASKA FIBER STAR LICENSE CORPORATION

By: _____
Name: _____
Title: _____

CREST COMMUNICATIONS CORPORATION

By: _____
Name: _____
Title: _____

OPERATOR AND SELLERS:

WCI CABLE, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

**WORLDNET COMMUNICATIONS, INC.,
a Delaware corporation**

By: _____
Name: _____
Title: _____

(Signatures continue on next page)

WCIC HILLSBORO, L.L.C.,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

WCI LIGHTPOINT, L.L.C., a Delaware limited
liability company

By: _____
Name: _____
Title: _____

**ALASKA NORTH STAR
COMMUNICATIONS, L.L.C.,**
a Delaware limited liability company

By: _____
Name: _____
Title: _____

ALASKA FIBERSTAR, L.L.C., an Alaska
limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT I

**OPERATING BUDGET
[TO BE COMPLETED PRIOR TO SIGNING]**

READ INSTRUCTIONS CAREFULLY BEFORE PROCEEDING (1) LOCKBOX # 358145	FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE	Approved by OMB 3060-0589 Page No <u>1</u> of <u>1</u>
		SPECIAL USE FCC USE ONLY
SECTION A - PAYER INFORMATION		
(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card) Stephoe & Johnson LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$815.00
(4) STREET ADDRESS LINE NO. 1 1330 Connecticut Avenue, NW		
(5) STREET ADDRESS LINE NO. 2 ATTN: Philip L. Malet		
(6) CITY Washington		(7) STATE DC
		(8) ZIP CODE 20036-1795
(9) DAYTIME TELEPHONE NUMBER (include area code) 202.429.6239		(10) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(11) PAYER (FRN) 0003-7546-29		(12) PAYER (TIN) 521349790
IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)		
(13) APPLICANT NAME Neptune Communications, LLC		
(14) STREET ADDRESS LINE NO. 1 12315 Blair Ridge Road		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Fairfax		(17) STATE VA
		(18) ZIP CODE 22033-1821
(19) DAYTIME TELEPHONE NUMBER (include area code) 703.620.1721		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) AND TAX IDENTIFICATION NUMBER (TIN) REQUIRED		
(21) APPLICANT (FRN) 0005-9216-55		(22) APPLICANT (TIN) 522363663
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE CUT
		(25A) QUANTITY 1
(26A) FEE DUE FOR (PTC) \$815.00	(27A) TOTAL FEE \$815.00	FCC USE ONLY
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE
		(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY
(28B) FCC CODE 1		(29B) FCC CODE 2
SECTION D - CERTIFICATION		
(30) CERTIFICATION STATEMENT I, <u>Donald J. Schander</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.		
SIGNATURE <u>Donald J. Schander</u>		DATE <u>1/17/02</u>
SECTION E - CREDIT CARD PAYMENT INFORMATION		
(31) <input type="checkbox"/> MASTERCARD	MASTERCARD/VISA ACCOUNT NUMBER:	EXPIRATION DATE:
<input type="checkbox"/> VISA	I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/authorization herein described.	
SIGNATURE _____		DATE _____